

City of Battle Creek

Residential Waste



Workshop Topics

- City Ordinance 1064 overview
- Waste Hauling Contractual Agreement Overview
- Solid Waste Services
- Recycling Issues
- Procurement History and Contract Details
- Transition Team
- Residential Waste Fee Discussion
- Questions

Ordinance

- City Ordinance, Chapter 1064, regulates Garbage and Rubbish Collection and Disposal
- Mandatory refuse collection was approved by voters November 6, 1984 to address health and safety issues as well as blight from illegal dumping.
- Regulates both city residents as well as city contractor.
- Requires that all city residents must exclusively use the city contractor for residential refuse removal.
- Helped decrease the number of garbage trucks using city streets and prolongs the life of the infrastructure.
- Regulates time of day in which residential refuse can be collected.
- Various provisions regarding billing and provides that charges for residential refuse collection constitutes a lien on the property to provide protection to the contractor for payment since it is a health and safety factor that residential waste not accumulate in the city due to non-payment.
- Requires commercial properties may only use the service of waste haulers who are licensed to do business in the city.

Contractual Agreement

- Contractual agreement with a qualified waste hauler selected periodically through a formal, competitive process.
- Only has the City of Battle Creek and the contractor as parties to the contract.
- Since the residents are not a party to the waste hauling contract, there must be a separate governing document, which is the ordinance.
- The contractor must comply with the ordinance terms.
- If there are changes in environmental laws during the term of a contract, the City can make those ordinance changes that may be required by state law. If the contract requires a price change as a result of a change in law, that must be approved by the City Commission.

Battle Creek's Solid Waste Services

- Garbage – weekly unlimited curbside residential
- Bulk – weekly unlimited curbside residential
- Recycling – Every other week curbside residential
- Yard waste – weekly unlimited, full week of April 7 and last day of week with December 7
- Special pick-ups – spring and fall
 - Accepts up to 10 cubic yards of construction waste at curb on your normal pickup day.
 - Accepted: waste from building construction, repairs, demolition or alteration within your residency.
- Christmas Trees – December 26 to January 29, 2021
- Brice Pit Compost Site available to residents



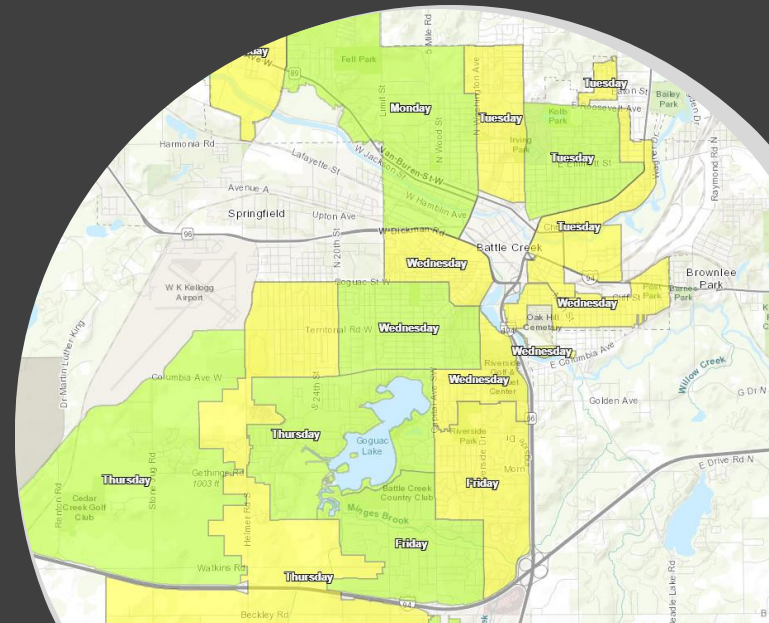
Solid Waste Service Details

- Service between 6 am and 7 pm, Monday-Friday
- Garbage and yard waste containers can be rented from hauler or personal containers
- Recycling carts provided to all single-family residences
- No commercial, construction waste, or hazardous waste
- 50 lbs or less
- Yard waste bagged and bundled (<4 ft. In length, <2" in diameter)
- Mattresses need to be bagged. Costs and delivery of these covers by either the program or individual still to be determined.



Recycling Contamination

- In early March, decision was made to *temporarily* divert Mon-Wed City of BC recycling to landfill to avoid rejection fee from MRF in Holland
- Higher percentage of rental properties in this area
- Planned to initiate an aggressive education campaign including cart "audits", neighborhood outreach meetings, direct customer interaction, etc.
- Covid shut-down happened about a week later
- Ordinance doesn't allow cart "audits" by City staff or volunteers
- Concern over credibility, sustainability and financial burden of current recycling program



Current City of Battle Creek Outreach Efforts

- City website and Facebook
- Community meetings (pre-Covid)
- Shopper articles (March-ongoing)
- Battle Creek Enquirer articles
- Access vision (Keeping You Informed) and PSAs
- Radio interviews (WBCK)
- Radio ad (WBCK)
- Bill stuffers (August)
- Farmer's Market (July-August)
- Battle Creek Area Clean Water Partners Facebook (ongoing)
- Lakeview Square Mall display
- Billboards
- Postcards (2 times)
- Tagging program
- DPW newsletter



RECYCLE RIGHT BATTLE CREEK!

By learning these simple **dos** and **don'ts** for your curbside recycling cart, you can help Battle Creek recycle right!

DO RECYCLE

- Plastics, #1-#7 (keep caps on)
- Glass (remove lids)
- Flattened cardboard and paperboard
- Office paper, junk mail, magazines
- Metal food cans

Be sure all materials are clean and dry.

DON'T RECYCLE

- Plastic bags
- Food and liquids
- Paper plates
- Napkins and paper towels
- Styrofoam
- Pizza boxes
- Disposable coffee and soft drink cups

WHEN IN DOUBT, THROW IT OUT!

What you put in your recycling cart has far-reaching impacts on the City's recycling program. If your bin contains non-recyclable items, you can contaminate the entire truck load, turning it into trash.

For more information on other recycling options, contact:

LET'S RECYCLE RIGHT BATTLE CREEK!

WHEN IN DOUBT, THROW IT OUT!

IMPORTANT NEW INFORMATION ON THE CITY OF BATTLE CREEK'S RECYCLING PROGRAM.

Starting the week of November 2, the City of Battle Creek, along with Waste Management, will be piloting a small-scale recycling cart tagging program to help correct the City's recycling contamination problem. The tagging program will start with small areas on the **Monday collection route** and expand to other areas of the City.

HERE'S HOW IT WILL WORK:

- If your recycling cart – green with the yellow lid – contains non-recyclable items, Waste Management (WM) will tag the lid with a red sticker.
- If WM tags your cart, they will NOT empty it. This is not a missed pickup.
- You must remove any contamination in your cart before the next recycling pickup day. (Need help with that? Visit our website or call the number on the back of this card.)
- WM will tag a contaminated cart twice. The third time they find contamination in your cart, they will take away your cart.
- You can get your recycling cart back following a call with City staff to learn more about what's accepted in your curbside cart.
- Remember: One contaminated cart can contaminate

Options to Improve Recycling in Battle Creek

Opt-in recycling for an additional fee or require a call to request cart

- Would include only those that want to recycle and will do it right
- Proposed fee for recycling services is a lump sum for the entire city and fluctuates with different levels of participation. You'll see that rate table later in the presentation.

The new solid waste contract presents an ideal time to switch to opt-in

- This would allow the hauler and City to start with those households interested in recycling and build more interest through continued outreach and education
- This would help ensure that the recyclable materials are actually getting recycled
- Currently, many residents are paying for curbside recycling but have to drive their recyclables elsewhere to ensure materials aren't being diverted to landfill
- This builds a stronger recycling program that is **credible** and **cost-effective**
- **Once recycling carts are delivered to all residents, it's very costly and logistically difficult to retrieve them**

Other Municipalities with Opt-in Programs

- Muskegon – call or online form to get cart; minimal contamination
- Kalamazoo – call, email or online form to get cart; minimal contamination
- Detroit – three options:
 - Pay \$25 for a cart
 - Take a class for free cart
 - Online tutorial for free cart



Options to Improve Recycling in Battle Creek cont.

- **Other ideas**
 - Ordinance changes
 - Allow for recycling cart "audits" by City staff/authorized agents to identify contamination before it gets to truck
 - Remove carts from repeat contamination offenders
 - Require Republic Services carts for trash and yard waste. This would minimize the use of recycling cart as extra garbage container.
 - Recycling rewards program
 - Pay as You Throw programs (ex. San Francisco)
 - Incentive recycling over garbage. Save money by recycling.
 - Others?

Procurement History

Waste Management has won every bid since the City adopted mandatory citywide refuse collection in 1984.

Current contract with Waste Management expires March 30, 2021.

Invitation for Bid (IFB) vs. Request for Proposals (RFP)

RFP Issued September 1, 2020

Proposals due September 22, 2020

RFP Format

Tier I: Ordinance 1064, as-is, with 3 years firm pricing, with future years to be negotiated. Up to 9 years.

Tier II: Recommendations for service changes that might reduce cost or improve environmentally friendly and more efficient operations. Such changes would require working with the Commission and the community with the aim of changing the ordinance, as needed, to reflect any changes the community wants to see.

Key Contract Provisions

Performance Bond

Liability Insurance

Cancellation Clauses (convenience or cause)

Special Petition for Price Increase

Compliance with federal, state, and local laws

Contract Terms

First five years (plus 3 months): April 1, 2021 – June 30, 2026

2-year optional renewal: July 1, 2026 – June 30, 2028

2-year optional renewal: July 1, 2028 – June 30, 2030

Selection Committee

Rebecca Fleury, City Manager

Carl Fedders, Public Works Director

Marcie Gillette, Community Services Director

Kurt Tribbett, Engineering Administrator

Patty Hoch-Melluish, Environmental and Storm
Service Manager

Kathy Antaya, Sustainability Committee
representative

First committee meeting

The committee met via Zoom on October 6, 2020, to discuss their tentative scoring and the proposals and arrive at consensus scores, which were as follows (out of 350).

| | | | Waste Management | Republic Waste |
|------------------------|-------------------------|-----|------------------|----------------|
| | | | Cons | Cons |
| A | Firm Qualifications | 100 | 83 | 93 |
| B | Personnel Qualification | 100 | 81 | 85 |
| C | Work Plan | 100 | 69 | 85 |
| D | Price | 50 | 37 | 50 |
| Subtotal for Interview | | 350 | 270 | 313 |

Initial Pricing

Price scores were computed using a formula for an allocation of points as a ratio of total possible points (50). The lowest price gets all points for the price category:

| Rank | Vendor Name | 3-year pricing | Points: |
|------------|-------------------|------------------|---------|
| 1st lowest | Republic Services | \$ 9,718,772.00 | 50 |
| 2nd lowest | Waste Management | \$ 13,234,137.60 | 37 |

Interviews

The committee held interviews with both Waste Management and Republic.

Each vendor had to answer questions given ahead of time in the areas of equipment, operations, customer service, recycling, and special collections.

We also asked them to provide revised pricing, for five years firm instead of three.

Revised Pricing: Republic Waste

| Republic Waste | | | | | | | | | | | | |
|------------------------------|--------------|----|-------------------|----------------------|-------------------|---------------------|-------------------|---------------------|-------------------|---------------------|--|---------------------|
| | | | YEAR 1 | | YEAR 2 | | YEAR 3 | | YEAR 4 | | YEAR 5 | |
| | | | 4/1/21 to 6/30/22 | | 7/1/22 to 6/30/23 | | 7/1/23 to 6/30/24 | | 7/1/24 to 6/30/25 | | 7/1/25 to 6/30/26 | |
| Type of Pickup | Est. Ann Qty | UM | Unit Price | Extended Price | Unit Price | Extended Price | Unit Price | Extended Price | Unit Price | Extended Price | Unit Price | Extended Price |
| Curbside unlimited | 201,252 | EA | \$ 9.57 | \$ 1,925,981.64 | \$ 10.19 | \$ 2,050,757.88 | \$ 10.60 | \$ 2,133,271.20 | \$ 11.02 | \$ 2,217,797.04 | \$ 11.46 | \$ 2,306,347.92 |
| Bi-weekly recycling | 100,626 | EA | \$ 4.63 | \$ 534,660.00 | \$ 5.53 | \$ 556,046.40 | \$ 5.75 | \$ 578,288.28 | \$ 5.98 | \$ 601,419.84 | \$ 6.22 | \$ 625,476.60 |
| fall leaves | 134,168 | EA | \$ 4.13 | \$ 554,113.84 | \$ 4.30 | \$ 576,922.40 | \$ 4.47 | \$ 599,730.96 | \$ 4.65 | \$ 623,881.20 | \$ 4.83 | \$ 648,031.44 |
| Backyard | 2,772 | EA | \$ 15.00 | \$ 41,580.00 | \$ 15.60 | \$ 43,243.20 | \$ 16.22 | \$ 44,961.84 | \$ 16.87 | \$ 46,763.64 | \$ 17.55 | \$ 48,648.60 |
| Subtotals | | | \$ | 3,056,335.48 | \$ | 3,226,969.88 | \$ | 3,356,252.28 | \$ | 3,489,861.72 | \$ | 3,628,504.56 |
| Option A Grand Total: | | | \$ | 16,757,923.92 | 3 year revised | \$ | 9,602,968.80 | 3 year original | \$ | 9,718,772.00 | \$ 115,803.20 3 year reduction | |

Republic Waste Recycling Rate Structure

| House Count | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|-------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 4/1/21 to 6/30/22 | 7/1/22 to 6/30/23 | 7/1/23 to 6/30/24 | 7/1/24 to 6/30/25 | 7/1/25 to 6/30/26 |
| 14001-16771 | \$ 47,242.67 | \$ 49,132.37 | \$ 51,097.67 | \$ 53,141.57 | \$ 55,267.24 |
| 11001-14000 | \$ 46,900.00 | \$ 48,776.00 | \$ 50,727.04 | \$ 52,756.12 | \$ 54,866.37 |
| 8001-11000 | \$ 44,555.00 | \$ 46,337.20 | \$ 48,190.69 | \$ 50,118.32 | \$ 52,123.05 |
| 5000-8000 | \$ 42,327.25 | \$ 44,020.34 | \$ 45,781.15 | \$ 47,612.40 | \$ 49,516.90 |

* Pricing is Monthly

Revised Pricing: Waste Management

| | | | Waste Management | | | | | | | | | |
|---------------------|--------------|----|-------------------|-----------------|-------------------|-----------------|-------------------|-----------------|-------------------|-----------------|-------------------|-----------------|
| Type of Pickup | Est. Ann Qty | UM | YEAR 1 | | YEAR 2 | | YEAR 3 | | YEAR 4 | | YEAR 5 | |
| | | | 4/1/21 to 6/30/22 | | 7/1/22 to 6/30/23 | | 7/1/23 to 6/30/24 | | 7/1/24 to 6/30/25 | | 7/1/25 to 6/30/26 | |
| | | | Unit Price | Extended Price | Unit Price | Extended Price | Unit Price | Extended Price | Unit Price | Extended Price | Unit Price | Extended Price |
| | | | | | | | | | | | | |
| Curbside unlimited | 201,252 | EA | \$ 20.20 | \$ 4,065,290.40 | \$ 21.20 | \$ 4,266,542.40 | \$ 22.30 | \$ 4,487,919.60 | \$ 23.40 | \$ 4,709,296.80 | \$ 24.55 | \$ 4,940,736.60 |
| Bi-weekly recycling | 100,626 | EA | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| fall leaves | 134,168 | EA | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Backyard | 2,772 | EA | \$ 26.00 | \$ 72,072.00 | \$ 27.30 | \$ 75,675.60 | \$ 28.67 | \$ 79,473.24 | \$ 30.10 | \$ 83,437.20 | \$ 31.60 | \$ 87,595.20 |
| Subtotals | | | \$ | 4,137,362.40 | \$ | 4,342,218.00 | \$ | 4,567,392.84 | \$ | 4,792,734.00 | \$ | 5,028,331.80 |

Option A Grand Total:

\$ 22,868,039.04

3 year revised

\$ 13,177,787.04

3 year original

\$ 13,234,137.60

\$ 56,350.56
3 year reduction

Five-year Price Difference

\$6,110,115

Residential Waste Contract Recommendation

At the December 15, 2020, Commission Meeting

- Recommending the Commission accept the proposal of best value from City-Star Services, Inc., DBA Republic Services of West Michigan in an estimated five-year amount of \$16,804,211.88, with unit prices prevailing for Tier I, Ordinance as-is.
- Recommending the commission also authorize the City Manager to sign two additional 2-year renewals, for a total of nine-years, with a final possible contract expiration date of June 30, 2030.

Transition Team

Republic Waste: Leader

Waste Management

City Staff

- Carl Fedders, Public Works Director
- Marcie Gillette, Community Services Director
- Kurt Tribbett, Engineering Administrator
- Patty Hoch-Melluish, Environmental and Storm Service Manager
- Bessie Stears, Environmental Program Coordinator
- Jessica VanderKolk, Communications Manager
- Jason Fransisco, Code Compliance Manager
- Chris Huff, Purchasing Agent

Fee Discussion

- The Solid Waste Fund (596) is considered an enterprise fund which functions like a business.
- Activities covered by the revenue generated in the fund.
 - Contracted cost with selected waste hauler
 - A portion of the Utility Billing staff and expenses
 - A portion of the Environmental staff and expenses
 - A portion of the Brice Pit operations
 - A portion of the Code Compliance staff and expenses (junk and trash)
 - Special Collections (Hazardous Waste, Tires, Styrofoam, Recycle-Rama)
 - Special Communications

Fee Discussion

- Other factors that are considered in rate setting:
 - Timing (Contract begins April 1st but budget year begin in July)
 - Fund Balance (\$433,676 at the end of FY20)
 - Wages and Fringes Cost (7.5% increase annually)
 - Material and Supplies, Professional Services, Communications and Internal Services (3.0% increase annually)
 - Participation level of the opt in recycling program.
 - Rate Classification and Customer Counts
 - Regular Curbside – 13,671
 - Discounted Curbside – 2,148
 - Backyard – 23
 - Discounted Backyard - 167

Fee Discussion

- Scenario One – Use of Fund Balance in year one of the contract:

| | Regular Curbside | | Backyard | | Discounted Curbside | | Discounted Backyard | |
|------------------------|------------------|---------------------------|----------------|---------------------------|---------------------|---------------------------|---------------------|---------------------------|
| | Monthly Charge | Change from previous year | Monthly Charge | Change from previous year | Monthly Charge | Change from previous year | Monthly Charge | Change from previous year |
| Current | \$ 19.00 | | \$ 29.49 | | \$ 12.09 | | \$ 18.74 | |
| 4/21 - 6/22 - proposed | \$ 19.00 | \$ - | \$ 29.49 | \$ - | \$ 12.09 | \$ - | \$ 18.74 | \$ - |
| 7/22 - 6/23 - proposed | \$ 20.19 | \$ 1.19 | \$ 31.34 | \$ 1.84 | \$ 12.84 | \$ 0.76 | \$ 19.91 | \$ 1.17 |
| 7/23 - 6/24 - proposed | \$ 21.45 | \$ 1.26 | \$ 33.30 | \$ 1.96 | \$ 13.65 | \$ 0.80 | \$ 21.15 | \$ 1.24 |
| 7/24 - 6/25 - proposed | \$ 22.78 | \$ 1.33 | \$ 35.35 | \$ 2.06 | \$ 14.49 | \$ 0.84 | \$ 22.46 | \$ 1.31 |
| 7/25 - 6/26 - proposed | \$ 24.03 | \$ 1.25 | \$ 37.30 | \$ 1.94 | \$ 15.29 | \$ 0.80 | \$ 23.69 | \$ 1.24 |

Fee Discussion

- Scenerio Two – Use of Fund Balance first two years of contract:

| | Regular Curbside | | Backyard | | Discounted Curbside | | Discounted Backyard | |
|------------------------|------------------|---------------------------|----------------|---------------------------|---------------------|---------------------------|---------------------|---------------------------|
| | Monthly Charge | Change from previous year | Monthly Charge | Change from previous year | Monthly Charge | Change from previous year | Monthly Charge | Change from previous year |
| Current | \$ 19.00 | | \$ 29.49 | | \$ 12.09 | | \$ 18.74 | |
| 4/21 - 6/22 - proposed | \$ 19.15 | \$ 0.15 | \$ 29.71 | \$ 0.22 | \$ 12.18 | \$ 0.09 | \$ 18.88 | \$ 0.14 |
| 7/22 - 6/23 - proposed | \$ 19.40 | \$ 0.26 | \$ 30.12 | \$ 0.40 | \$ 12.34 | \$ 0.16 | \$ 19.13 | \$ 0.25 |
| 7/23 - 6/24 - proposed | \$ 22.00 | \$ 2.60 | \$ 34.15 | \$ 4.04 | \$ 14.00 | \$ 1.65 | \$ 21.70 | \$ 2.56 |
| 7/24 - 6/25 - proposed | \$ 22.95 | \$ 0.95 | \$ 35.62 | \$ 1.47 | \$ 14.60 | \$ 0.60 | \$ 22.63 | \$ 0.93 |
| 7/25 - 6/26 - proposed | \$ 23.95 | \$ 1.00 | \$ 36.94 | \$ 1.32 | \$ 15.14 | \$ 0.54 | \$ 23.47 | \$ 0.84 |

Fee Discussion

- Scenerio Three – Use of Fund Balance over all 5 years of the contract:

| | Regular Curbside | | Backyard | | Discounted Curbside | | Discounted Backyard | |
|------------------------|------------------|---------------------------|----------------|---------------------------|---------------------|---------------------------|---------------------|---------------------------|
| | Monthly Charge | Change from previous year | Monthly Charge | Change from previous year | Monthly Charge | Change from previous year | Monthly Charge | Change from previous year |
| Current | \$ 19.00 | | \$ 29.49 | | \$ 12.09 | | \$ 18.74 | |
| 4/21 - 6/22 - proposed | \$ 19.67 | \$ 0.67 | \$ 30.53 | \$ 1.03 | \$ 12.51 | \$ 0.42 | \$ 19.39 | \$ 0.66 |
| 7/22 - 6/23 - proposed | \$ 20.55 | \$ 0.89 | \$ 31.90 | \$ 1.37 | \$ 13.08 | \$ 0.56 | \$ 20.26 | \$ 0.87 |
| 7/23 - 6/24 - proposed | \$ 21.48 | \$ 0.92 | \$ 33.33 | \$ 1.44 | \$ 13.66 | \$ 0.59 | \$ 21.18 | \$ 0.91 |
| 7/24 - 6/25 - proposed | \$ 22.34 | \$ 0.86 | \$ 34.67 | \$ 1.33 | \$ 14.21 | \$ 0.55 | \$ 22.02 | \$ 0.85 |
| 7/25 - 6/26 - proposed | \$ 23.25 | \$ 0.92 | \$ 36.09 | \$ 1.42 | \$ 14.79 | \$ 0.58 | \$ 22.93 | \$ 0.90 |

Fee Discussion

Rate Comparisons Outside the City of Battle Creek limits

- Republic Waste - \$31.75 per month in 2021
- Waste Management - \$29.29 per month in 2021
- Granger - \$25.36 per month in 2021
 - No yard waste
 - No bulk
 - Cart sizes vary
 - Granger's nor Republic's price do not offer recycling
 - Waste Management has additional fee for recycling
 - Some delivery fee apply
- City of Marshall current proposal from Granger that is under consideration (No yard waste and no bulk - .75 Annual Trash, Leaf and Brush Millage):
 - 2021 - \$18.50
 - 2022 - \$19.06
 - 2023 - \$19.63
 - 2024 - \$20.22
 - 2025 - \$20.82

QUESTIONS

